

*File A-20  
A-1  
Failure discussion  
raised the possibility  
of changing their  
no work to be  
23 April 1964  
assembly from not  
contractor. is not  
going to purchase  
the matter*

STATINTL

To: Contracting Officer,

STATINTL

Subject: PALMDALE, SITE 2 EXPENSES RELATED TO CONTRACT

STATINTL

STATINTL

In December 1963 when Contract  was negotiated it was generally understood that reassembly and flight test of the six (6) airplanes involved under this contract would take place at  Edwards Air Force Base. In either case all facilities, utilities, maintenance and janitorial services were to be provided or paid for by the customer.

It has recently been decided to activate Palmdale, Site 2 and to accomplish the reassembly and flight checks at Palmdale and then fly the airplanes to Edwards to accomplish Category I and II flight test.

As a result of this decision we must now provide overhead type services and assume maintenance and utilities expenses related to Site 2.

STATINTL

Pursuant to your approval on October 16, 1964, we will accumulate, separately, these types of costs related specifically to Palmdale, Site 2, for the duration of Contract  operations at this Site. This period covers approximately November 1964 through June 1965. These costs will be charged to the appropriate A-12 series service contracts (CA-20 - FT-21) and will be billed at no profit.

Attached is a budgetary estimate of the types of expense and estimated cost.

Sincerely yours,

STATINTL

STATINTL

cc:

PALMDALE SITE 2  
ESTIMATED MONTHLY OVERHEAD TYPE EXPENSE

Provided by Customer  Edwards AFB

STATINTL

Indirect Labor

Per Month

D/37-32 Factory Transportation (2)

D/39-XX Maintenance (14)

D/72-XX ADP (12)

D/82-50 Finance (Timekeeper) (1)

D/90-XX (11)  
(2 Firemen, 1 Nurse, 8 Guards)

Labor

Fringe Benefit & Super.

Labor Costs/ Month

Utilities

Plant Engr. Supplies, Rep. and Maint. etc.

Tool Cribs, etc.

Month X 8 Months (Nov. '64 thru June '65) =

10-13-64